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NEW ORLEANS REGIONAL BUSINESS PARK

FINANCIAL STATEMENTS TOGETHER WITH INDEPENDENT AUDITOR'S REPORT FOR THE YEAR ENDED DECEMBER 31, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-16-08

New Orleans Regional Business Park

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CURTIS A. MORET
CERTIFIED PUBLIC ACCOUNTANT

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Independent Auditor's Report

To the Board of Commissioners
of New Orleans Regional Business Park
New Orleans, Louisiana

We have audited the governmental activities and fund financial statements of New Orleans Regional Business Park, as of and for the year ended December 31, 2007 as listed in the table of contents. The governmental activities and fund financial statements are the responsibility of New Orleans Regional Business Park's management. Our responsibility is to express opinions on these financial statements based on our audit.

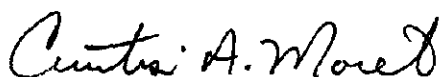
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the governmental activities and fund financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of New Orleans Regional Business Park as of December 31, 2007, and the changes in financial position of those activities and fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2008, on our consideration of New Orleans Regional Business Park's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 5 and 18 through 19 respectively, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the governmental activities and fund financial statements of New Orleans Regional Business Park.



Curtis A. Moret
Certified Public Accountant
June 20, 2008



New Orleans Regional Business Park

Management's Discussion and Analysis

The New Orleans Regional Business Park (NORBP), was created by the Louisiana State Legislature. The NORBP manages, develops, and operates a 7,000 acre commercial and industrial park in Eastern New Orleans. The Business Park, post Katrina, is home to approximately 77 businesses generating billions of dollars of annual sales, employing thousands of residents from the New Orleans region and producing millions of dollars of tax revenue for the City of New Orleans. NORBP also provides assistance to new and existing businesses to help them expand operations, train and improve the skills of existing employees, explore upstream and down stream marketing opportunities and seek other resources all in an effort to enhance the value of the capital investment our businesses have made in their operations here in the Business Park. NORBP's operations are principally funded through a millage on properties located within the defined boundaries of the Park and from warehouse and office space rental income from tenants in the Park's Enterprise Center. These revenues also support the various programs of the NORBP which include business retention/expansion, marketing outreach, business development, Enterprise Center maintenance and more.

Financial Highlights:

NORBP receives 20.86 mills of Ad Valorem Taxes, collected by the City of New Orleans assessed on the value of commercial properties in the defined area of the Park (\$209.00 on every \$1000 of property value). In addition, NORBP generates rent through collections from tenants that occupy NORBP's building at 13801 Old Gentilly Road.

The NORPB employs the services of a Certified Public Accountant consulting firm to produce monthly financial statements associated with the daily operations of the Park. In addition, the NORBP employs the services of Curtis Moret CPA to produce the agency's annual audit.

NORBP operations are also monitored by a Finance Committee composed of members of its Board of Commissioners. This committee meets monthly to review the Park's operations and the monthly CPA prepared financial statements. At these meeting the NORBP President and Vice president discuss the daily operations of the Park and all relevant matters, financial and non-financial, that may have relevance to the organization's financial operations. The NORBP Board of Commissioners at its once monthly meeting is presented with results of the Finance Committee's analysis of the finances.

The NORBP's 2007 general operations budget began the year with a budget projection of \$ 250,000.00 with associated expenses. NORBP Staff, Finance Committee, and Board of Commissioners during the year, added the following items to its budget containing projected revenues and expenditures; an Environment Protection Agency Grant, a Louisiana Economic Development Grant, and Enterprise Center Renovations through Capital Outlay resulting in a year end balanced budget with revenues and expenditures of \$ 983,212.00.

Comparative Analysis:

Between January and December 2007 projected Ad Valorem Tax revenues generated \$250,000 at years' end. However, due to the influx of back tax payments this agency collected \$ 230,279.00.

In June of 2006 this agency received a Grant from the Environmental Protection Agency in the amount of \$400,000.00. This grant was the result of an RFP response to the EPA written by staff to perform site assessments of Brownfields containing petroleum and hazardous materials. The EPA Grant gives NORBP additional resources with which to attract, retain and expand businesses located in the Park.

Overall Financial Position:

Management observed that the financial position of the organization, 2007 over 2006 showed an increase in annual revenues. At the start of 2007, NORBP's Fund Balance totaled \$ 121,631. By the end of 2007, the Fund Balance totaled \$157,425.00.

Balances and Transactions:

The NORBP began 2007 with an actual cash balance of \$147,130.00 in various accounts at financial institutions. NORBP ended the year with an actual cash balance of \$137,814.00 in these accounts. There is a true significance difference due the increased expenditures relative to the repairs and maintenance to the building after the storm.

Significant Budget Variations:

The 2007 operational year was marked by the timing of Ad Valorem Taxes collected by the City of New Orleans and remittance to NORBP. There were significant budget variations in 2007, due to millage tax adjustments. NORBP adjusts its budget at least quarterly in anticipation of changing tax collections and remittance by the City of New Orleans and operational expenditures.

Capital Asset and Long Term Debt Activity

During 2007 there were no significant changes in capital asset levels. NORBP incurred no increases in long term debt and will continue to operate without the use of borrowed funds.

Maintenance Expenses for Infrastructure Assets

The NORBP owns a building at 13801 Old Gentilly Road. This building and the land on which it sits is valued at approximately \$ 3.2 million. The building is occupied by one warehouse tenant that utilizes approximately 100,000 square feet, and by one other office area tenant that occupies approximately 30,000 square feet. The maintenance budget is adjusted, occasionally, due to unexpected expenditures. NORBP has performed various repairs on the building using grants from the State of Louisiana. The expected revenues and expenditures are booked under Enterprise Center Renovations.

Currently Known Facts, Decisions, or Conditions

The New Orleans Regional Business Park receives two sources of revenues-a Ad Valorem tax millage and rent from its building. The millage collected from the tax assessment on commercial property remains in effect

through 2011.

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NORBP's administration continues to implement strategies that seek other revenue sources, programs and activities that can augment, support and expand NORBP programs. NORBP, administratively and operationally, will continue to seek more independence relative to its funding sources.

NORBP constantly markets its land and building assets to insure that the organization maximizes the value of its resources. To that end NORBP will, shortly, commence a well defined marketing and retention campaign with matching grant dollars expected from Louisiana Economic Development.

NORBP's Business Assistance Center (BAC) is an additional level of services that are provided to businesses inside and outside the boundaries of the Park. The BAC provides businesses with access to valuable information and services designed to address specific business needs such as: business plan development, strategic planning, entrepreneurial training, bid preparation, and a variety of other programs and seminars.

NORBP will continue to work closely with the City's Treasury Department to secure the millage for the Park's financial future. NORBP continues to have a high degree of interest in all recovery efforts in the New Orleans region.

Roy N. Mack, Sr.
President
New Orleans Regional Business Park
rmack@norpb.net

NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF NET ASSETS
DECEMBER 31, 2007

ASSETS

GOVERNMENTAL ACTIVITIES

Cash and Cash Equivalents	\$ 137,814
Receivables	234,267
Prepaid Insurance	16,472
Capital Assets (Note 3):	
Land, Improvements and Construction in Progress	1,053,618
Other Capital Assets, Net of Depreciation	<u>4,135,357</u>
Total Capital Assets	<u>5,188,975</u>
Total Assets	<u><u>\$ 5,577,528</u></u>

LIABILITIES

Accounts Payable	188,164
Lease Deposit	<u>42,964</u>
Total Liabilities	<u>231,128</u>

NET ASSETS

Invested in Capital Assets	5,400,482
Unrestricted	<u>(54,082)</u>
Total Net Assets	<u><u>5,346,400</u></u>

The accompanying notes are an integral part of the financial statements.

NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

Functions/Programs	GOVERNMENTAL ACTIVITIES			
	Expenses	Charges for Services	Program Revenues	Net (Expenses) Revenues and Changes in Net Assets
Enterprise Park	\$ 47,115	\$ -	\$ 435,000	\$ 387,885
Sanitation	1,650	-	-	(1,650)
Business Assistance	58,194	-	43,691	(14,503)
Environmental Protection	3,877	-	6,117	2,240
Administration	649,509	-	10,003	(639,506)
Total	<u>760,345</u>	<u>-</u>	<u>494,811</u>	<u>(265,534)</u>
General Revenues:				
Property Taxes				230,279
Rental Income				350,128
Other Income				32,992
Total General Revenues				<u>613,399</u>
Change in Net Assets				<u>347,865</u>
Net Assets, Beginning of the year				<u>4,998,535</u>
Net Assets, End of the year				<u><u>5,346,400</u></u>

The accompanying notes are an integral part of the financial statements.

NEW ORLEANS REGIONAL BUSINESS PARK
BALANCE SHEET - GOVERNMENTAL FUND
DECEMBER 31, 2007

ASSETS

Cash and Cash Equivalents	\$ 137,814
Receivables	234,267
Prepaid Insurance	<u>16,472</u>
Total Assets	<u><u>388,553</u></u>

LIABILITIES

Accounts Payable	188,164
Lease Deposits	<u>42,964</u>
Total Liabilities	<u>231,128</u>

FUND BALANCE

Unreserved	157,425
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Amounts reported for governmental activities in the Statement
of Net Assets are different because:

Capital assets used in governmental activities are not
financial resources and therefore are not reported in the
governmental fund at the fund level.

5,188,975

Net Assets	<u><u>5,346,400</u></u>
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The accompanying notes are an integral part of the financial statements.

NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GOVERNMENTAL
FUND
FOR THE YEAR ENDED DECEMBER 31, 2007

REVENUES	
Property Taxes	\$ 230,279
Grants	494,811
Rental Income	350,128
Other Income	<u>32,992</u>
Total Revenues	1,108,210
EXPENDITURES	
Salaries	118,142
Payroll Taxes	9,351
Employee Insurance	13,062
Insurance	69,282
Office Supplies	1,601
Telephone	13,692
Automobile Expenses	1,912
Office Expense	22,135
Repairs & Maintenance	31,450
Utilities	145,143
Professional Services	114,679
Marketing	20,778
Capital Expenditures, net	435,000
Dues and Subscriptions	65
Postage	656
Site Improvement	1,650
Special Projects	62,071
Other	<u>11,747</u>
Total Expenditures	<u>1,072,416</u>
Change in Fund Balance	35,794
Fund Balance, beginning of the year	<u>121,631</u>
Fund Balance, end of the year	<u><u>157,425</u></u>

The accompanying notes are an integral part of the financial statements.

NEW ORLEANS REGIONAL BUSINESS PARK
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE OF GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2007

Net Change in Fund Balance	\$ 35,794
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Government funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which <i>net capital outlays exceeded depreciation</i> in the current period.	<u>312,071</u>
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Change in Net Assets	<u><u>347,865</u></u>
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The accompanying notes are an integral part of the financial statements.

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO THE FINANCIAL STATEMENTS**

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**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Background

The New Orleans Regional Business Park (NORBP) is a 7,000 acre Louisiana Enterprise Zone created by the Louisiana Legislature to attract new business and industry through incentives such as sales, use and property tax benefits. **NORBP** also encompasses a 92-acre Foreign Trade Zone which provides additional savings on duty fees.

In 1992, a special project referred to as the "Enterprise Center" (the Center) was initiated in an effort to promote economic growth in the City of New Orleans, by promoting business and industrial development in the district. The Center includes the following components designed to improve the development environment in New Orleans East:

- o Industrial/service based incubator;
- o Advanced technology institute; and
- o College extension programs.

NORBP is used to account for the operations of the district. Its financing sources are derived principally from the proceeds of 20.86 mills, or \$209 per \$100,000 of assessed value, which is levied on all property within the district for the purpose of constructing roads, sewerage, drainage, water supply systems and other infrastructure improvements to facilitate industrial development.

The Board of Commissioners is composed of twelve (12) members who are appointed by various organizations and public officials and serve without compensation.

The accounting policies of **NORBP** conform to accounting policies generally accepted in the United States of America, as applicable to governmental agencies. The following is a summary of the more significant accounting policies:

The Financial Reporting Entity

NORBP is a special municipal district that was created under Louisiana Revised Statute 33:4701, as amended on June 28, 1995. Through **NORBP's** Board of Commissioners, **NORBP** has the power to acquire, construct, improve, maintain, and operate projects and to provide additional municipal services within the district.

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Financial Reporting Entity (Continued)

Under GASB Statement No. 14, **NORBP** is considered a primary government and does not include any component units. **NORBP** has powers to incur debt, issue bonds, sue and be sued. Also, the Board of Commissioners has decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters.

Accordingly, management has concluded that **NORBP** is the financial reporting entity within the meaning of the provisions of GASB 14.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net assets and the statement of activities) report information on all activities of **NORBP**. **NORBP** is considered to be a governmental activity of a special purpose government.

NORBP's statement of activities demonstrates the degree to which the expenses of a given function are offset by function revenues.

Separate financial statements are provided for **NORBP's** governmental fund. The **NORBP's** government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

The **NORBP** reports its governmental fund as follows:

General Fund

The General Fund is used to account for all financial resources of **NORBP**.

NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

General Fund (Continued)

The operations of the General Fund are comprised of the General Fund's assets, liabilities, fund balance, revenues and expenditures, as related to **NORBP's** operations.

Capital Assets

NORBP's capitalization policy requires that all single assets costing \$1,000 or more be capitalized and depreciated over their useful lives. Single assets costing less than \$1,000 are expensed. The straight-line method of depreciation is used for all classes of capital assets. The management of **NORBP** established the following useful lives for each asset class:

<u>Asset Class</u>	<u>Useful Lives in Years</u>
Land	N/A
Building	40
Electrical Substation	40
Automobile	5
Furniture & Equipment	7

All capital assets acquired or donated are valued at historical cost or estimated historical cost if actual historical cost is not available.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing time deposits and

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents (Continued)

money market accounts. Cash equivalents include amounts in short-term investments with original maturities of ninety (90) days or less. Under state law, **NORBP** may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principle offices in Louisiana.

NOTE 2- CASH AND CASH EQUIVALENTS

NORBP had cash and cash equivalents totaling \$137,814 (book balances) at December 31, 2007, as follows:

Cash	\$ 136,428
Money market funds	<u>1,386</u>
Total	<u>\$ 137,814</u>

NOTE 3- CAPITAL ASSETS

The following is a summary of capital assets for the year ended December 31, 2007:

	Balance January 1, 2007	Additions	Changes	Balance December 31, 2007
Land	1,053,618	-	-	1,053,618
Building	2,767,347	435,000	-	3,202,347
Electrical Substation	1,340,188		-	1,340,188

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)**

NOTE 3- CAPITAL ASSETS (CONTINUED)

	Balance January 1, 2007	Additions	Changes	Balance December 31, 2007
Furniture & Equipment	35,131	-	-	35,131
Sub-total	5,196,284	435,000	-	5,631,284
Less Accumulated Depreciation	(319,380)	(122,929)	-	(442,309)
Net	4,876,904	312,071	-	5,188,975

Depreciation expense charged to each function for the year ended December 31, 2007 is as follows:

Enterprise Park	\$ 117,127
Sanitation	-
Business Assistance	2,742
Administration	3,060
	<u>122,929</u>

An analysis of changes in accumulated depreciation by asset classification for the year ended December 31, 2007 is as follows:

Capital Asset Class	Balance January 1, 2007	Addition	Balance December 31, 2007
Land	\$ -	\$ -	\$ -
Building	205,833	83,622	289,455
Electrical Substation	100,515	33,505	134,020
Furniture & Equipment	13,032	5,802	18,834
	<u>319,380</u>	<u>122,929</u>	<u>442,309</u>

**NEW ORLEANS REGIONAL BUSINESS PARK
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)**

NOTE 4- CONTINGENCIES

The NORBP is a defendant in a suit in which a local construction company claims the agency owes approximately \$126,625 for services performed. The NORBP anticipates that a certain percentage of this claim will be reimbursed by the State of Louisiana. However, the NORBP believes any portion of the claim not reimbursed by the State will be recoverable from other third parties. Consequently, no provision has been made in the financial statements for any liability from this suit.

NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Tax	\$ 198,000	\$ 250,000	\$ 230,279	\$ (19,721)
Grants:				
Enterprise Center	885,000	464,000	435,000	(29,000)
Business Assistance Center	-	120,000	43,691	(76,309)
Rental Income	360,325	350,228	350,128	(100)
Utilities Reimbursement	10,200	32,000	29,758	(2,242)
Environmental Protection Agency	133,000	400,000	6,117	(393,883)
Interest	200	200	61	(139)
Other Income	28,499	4,000	13,176	9,176
Total Revenues	1,615,224	1,620,428	1,108,210	(512,218)
EXPENDITURES				
Salaries	175,875	75,000	74,375	625
Salaries - Sanitation	44,625	44,625	43,767	858
Payroll Taxes	15,000	8,500	6,002	2,498
Payroll Tax-Sanitation	4,125	4,200	3,349	851
Group Hospitalization	28,975	13,062	13,062	-
Insurance (Liab./Prop./Damage)	43,389	95,000	69,282	25,718
Grant Writer	5,000	750	-	750
Marketing	45,000	90,000	20,778	69,222
Business Assistance Center	9,000	120,000	58,194	61,806
Environmental Protection Agency	133,000	400,000	3,877	396,123
Dues & Subscriptions	500	150	65	85
Postage & Freight	1,200	850	656	194
Professional Services	73,000	58,000	58,445	(445)
Telephone & Telegraph	12,000	14,000	13,692	308
Supplies & Material	10,000	2,200	1,601	599
Motor Vehicle - Gas & Oil	6,500	2,000	1,912	88
Office Expense	5,000	28,000	22,135	5,865
Legal	9,000	18,000	29,734	(11,734)
Accounting & Audit	33,000	30,000	26,500	3,500
Special Projects	835,000	464,000	435,000	29,000
Sanitation	5,000	1,800	1,650	150
Utilities	81,035	115,291	145,143	(29,852)
Building Maintenance & Repairs	40,000	35,000	31,450	3,550
Miscellaneous	-	-	11,747	(11,747)

NEW ORLEANS REGIONAL BUSINESS PARK
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL, CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2007

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
EXPENDITURES, CONT.				
Total Expenditures	<u>1,615,224</u>	<u>1,620,428</u>	<u>1,072,416</u>	<u>548,012</u>
Excess (deficiency) of Revenues over Expenditures	-	-	35,794	35,794
Fund Balance - beginning of year	<u>261,382</u>	<u>261,382</u>	<u>121,631</u>	<u>(139,751)</u>
Fund Balance - end of year	<u><u>261,382</u></u>	<u><u>261,382</u></u>	<u><u>157,425</u></u>	<u><u>(103,957)</u></u>



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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
of New Orleans Regional Business Park
New Orleans, Louisiana

I have audited the governmental activities and fund financial statements of New Orleans Regional Business Park (NORBP) as of and for the year ended December 31, 2007, which collectively comprise the NORBP's basic financial statements, and have issued my report thereon dated June 20, 2008. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the NORBP's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the NORBP's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the NORBP's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the NORBP's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the NORBP's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the NORBP's internal control.

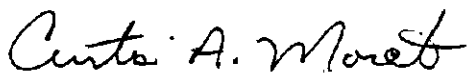
My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all

deficiencies in internal control that might be significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the NORBP's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the audit committee, management, Board of Commissioners, the Louisiana Legislative Auditor, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Curtis A. Moret
Certified Public Accountant
June 20, 2008



**NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2007**

1. Summary of Auditor's Results

- A. Type of auditor's report issued: **Unqualified**
- B. Control deficiencies in internal control were disclosed by the audit of the financial statements: **None reported.** Significant deficiencies: **None reported.** Material weaknesses: **No.**
- C. Noncompliance which is material to the financial statements: **No.**
- D. Reportable conditions in internal control over major programs: **N/A.** Material weaknesses: **N/A.**
- E. The type of report issued on compliance for major programs: **N/A.**
- F. Any audit findings which are required to be reported under section 501(a) of OMB Circular A-133: **N/A.**
- G. Major programs: **N/A.**
- H. Dollar threshold used to distinguish between Type A and Type B programs: **N/A.**
- I. Auditee qualified as a low-risk auditee under section 530 of OMB Circular A-133: **N/A.**
- J. A management letter was issued: **No.**

2. Financial Statement Findings

No matters were reported.

3. Federal Award Findings and Questioned Costs

Not applicable.

**NEW ORLEANS REGIONAL BUSINESS PARK
SCHEDULE OF PRIOR YEAR FINDINGS**

Section I – Internal Control and Compliance Material to the Financial Statements

No findings were reported.

Section II – Internal Control and Compliance Material to Federal Awards

Not applicable.

Section III – Management Letter

Not applicable.